

COMMITTEE STATEMENT CORRECTED

LB 389

HEARING DATE: 1/27/99

COMMITTEE ON: Natural Resources

TITLE: (Schrock, Beutler) Provide oxygenated gasoline sale requirements

ROLL CALL VOTE – FINAL COMMITTEE ACTION

Advanced to General File

X Advanced to General File with Amendments

Indefinitely Postponed

Vote Results:

6	Yes	Senators Bohlke, Bromm, Bruning, Preister, Schrock, Stuhr
2	No	Senators Hudkins, Jones
0	Present, not voting	
0	Absent	

PROPOSERS	REPRESENTING
Senator Ed Schrock	Introducer
Jack Moors	Nebraska Corn Growers, Inc.
Todd Sneller	Nebraska Ethanol Board
Gordon McDonald	Nebraska State AFL-CIO
Roger Burken	Clean Fuels Development Coalition
John Hansen	Nebraska Farmers Union
Mark Fahleson	High Plains Corporation
Mike Alberts	American Corn Growers Association

OPPOSERS	REPRESENTING
Bryce Neidig	Nebraska Farm Bureau
Vincent Brown	Nebraska Petroleum Council
Nick Brewster	BP-Amoco
Greg Ruehle	Nebraska Cattlemen
Fred Stone	Nebraska Petroleum Marketers Association

NEUTRAL	REPRESENTING
None	

COMMITTEE STATEMENT

SUMMARY OF PURPOSE AND/OR CHANGES:

Under LB 389, one-half of all gasoline sold in Nebraska as a motor fuel would have to contain oxygen equal to or greater than 2.7% by weight, beginning January 1, 2001. If, according to a report prepared by the Department of Revenue, this standard had not been met during the first two quarters of 2001, then all gasoline sold for motor fuel would have to be oxygenated fuel, beginning on January 1, 2002.

LB 389 also provides that the mandate shall continue, so long as the fifty percent goal is not attained.

There are no penalties provided for failure to abide by the mandate.

The bill provides for exceptions to the mandate, such as use for historical vehicles, off-road vehicles, motorcycles, boats, snowmobiles, or small engines and aircraft.

LB 389 provides an operative date of January 1, 2001.

EXPLANATION OF AMENDMENTS, IF ANY:

The amendment strikes all of section (1) and replaces it with the following:

Sales of oxygenated gasoline must be reported by the sellers to the Department of Revenue, who then will prepare a report indicating whether the sale of oxygenated fuel equals one-half of all gasoline between October, 1999 and March, 2000. If the report concludes that less than one-half of all gasoline sold for use as motor fuel was oxygenated, then on July 1, 2000, all gasoline sold for use as motor fuel must be oxygenated.

The amendment requires the Department of Revenue to issue its report on the use of oxygenated fuel to the Legislature on April 30 of each year.

Senator Ed Schrock, Chairperson